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# The Khadafy problem deepens

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WASHINGTON — Pressures had been mounting within the Reagan Administration to impose an oil embargo against Libya, on the premise that the United States should not spend \$8 billion to \$12 billion a year to help Col. Moammar Khadafy finance world terrorism, when suddenly Khadafy announced he was pulling his troops out of Chad.

So, for the time being at least, the embargo option was put on hold.

It just wouldn't do, some of America's allies in Europe and Asia lectured, to rap Khadafy across the chops in the immediate aftermath of a positive act on his part. The Americans should understand when to reach for the carrot, when the stick.

Ironically, a number of analysts in Europe, Africa and America — now believe the Libyan withdrawal was not what it at first seemed.

Despite warnings from the United States and Egypt that Libyan military activity in Chad against Sudan could lead to serious trouble, French efforts to round up an African peacekeeping force to replace the Libyans, and Organization of African Unity entreaties to Libya to cool it, Khadafy seemed unmoved.

But when Chad's President Goukouni Oueddei asked Khadafy, who had been hoping to announce a political merger of the two nations, to pull out his 7000 to 10,000 troops, he did, precipitately.

The hope had been that Khadafy would withdraw when the OAU peacekeeping force was ready to replace it, in order to minimize chances of two rival claimants for

power in Chad being able to exploit the situation.

But Khadafy's orders to the troops, at least those in the capital, was not only to get on transport planes as soon as possible, but also to take everything they had ever brought into the country with them: weapons, ammunition, typewriters, transmitters, what have you. In addition, he closed the Libyan bank in Ndjamena, the capital, and suspended talks on economic and military aid.

While at first it was thought Khadafy was moving out because of mounting world opposition to his military presence and so as not

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to jeopardize his influence when he takes over chairmanship of the OAU next year, a growing consensus now is that he hoped by pulling out so abruptly to trigger a stepup in civil war and a plea that he come back to restore order.

So Reagan Administration planners are back looking at potential options to punish Khadafy.

President Ronald Reagan, asked about a possible embargo, questioned whether it could be effective unless all major buyers of Libyan oil joined. A number of Europeans and the Japanese warn that since the Arab oil embargo of 1973 the West has been arguing against using oil as a political weapon and this position would be undermined

by an oil embargo against Libya.

For a variety of reasons, thought to include increasing economic and political difficulties in working with the Libyans and low-level pressure from Washington, Exxon decided to pull its oil and natural gas operations out of the country. Mobil Oil reportedly is thinking of following suit. But as to the four remaining American oil producers, if the United States tried to force them to leave — by declaring an embargo or making American passports invalid for travel in Libya — it might become liable for about \$3 billion in claims if Khadafy retaliated by expropriating American property.

The Administration, of course, would have the option of freezing Libyan assets in US banks as a guarantee that claims would be paid. However that could lead to a flight of capital of Arab oil producers from American banks. They were frightened about the sanctity of their holdings after the US froze Iran's assets following the seizure of American hostages. But they were assured that was a one-time exception, dictated by the extreme nature of the situation.

There is still a further dimension to the problem of what to do about Khadafy. Numerous intelligence reports assert that in retaliation for the incident this summer in which two Navy jets shot down two Libyan jets, Khadafy has ordered hit squads to assassinate American officials or diplomats and attack American embassies.

"If an atrocity occurs," one ranking official declared, "all bets are off. And economic weapons would be only one of the ripostes you could look for."

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